

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF PUERTO RICO**

In re:

The Financial Oversight and Management Board for  
Puerto Rico,

as representative of

The Commonwealth of Puerto Rico, *et al.*

Debtors.<sup>1</sup>

PROMESA  
Title III

No. 17 BK 3283-LTS

(Jointly Administered)

In re:

The Financial Oversight and Management Board for  
Puerto Rico,

as representative of

Puerto Rico Sales Tax Financing Corporation  
(COFINA),

Debtor.

PROMESA  
Title III

No. 17 BK 3284-LTS

**JOINDER BY THE PUERTO RICO FUNDS TO OMNIBUS REPLY OF THE  
COFINA SENIOR BONDHOLDERS' COALITION TO OBJECTIONS  
TO CONFIRMATION OF THE SECOND AMENDED TITLE III  
PLAN OF ADJUSTMENT OF PUERTO RICO SALES AND  
TAX FINANCING CORPORATION**

<sup>1</sup> The Debtors in these title III cases, along with each Debtor's respective title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283 (LTS)) (Last Four Digits of Federal Tax ID: 3481), (ii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566 (LTS)) (Last Four Digits of Federal Tax ID: 9686), (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567 (LTS)) (Last Four Digits of Federal Tax ID: 3808), (iv) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284 (LTS)) (Last Four Digits of Federal Tax ID: 8474), and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780) (Last Four Digits of Federal Tax ID: 3747) (collectively, the "Title III Cases").

Certain Puerto-Rico based mutual funds (collectively, the “Puerto Rico Funds”),<sup>2</sup> hereby respectfully submit this joinder (the “Joinder”) to the *Omnibus Reply of the COFINA Senior Bondholders’ Coalition to Objections to Confirmation of the Second Amended Title III Plan of Adjustment of Puerto Rico Sales Tax Financing Corporation* [Docket No. 4665] filed by the COFINA Senior Bondholders’ Coalition (the “Senior Coalition”) on January 9, 2019 (the “Omnibus Reply”),<sup>3</sup> filed in response to the various objections to confirmation of *Second Amended Title III Plan of Adjustment of Puerto Rico Sales Tax Financing Corporation* (the “Plan”) [Docket No. 4392], and state as follows:

1. The Puerto Rico Funds are (i) holders of over \$600 million of COFINA Bonds, (ii) parties to the Amended and Restated Plan Support Agreement, dated as of September 20, 2018 (the “PSA”),<sup>4</sup> (iii) Consummation Cost Parties under the Plan, and (iv) parties to litigation concerning COFINA’s property rights both prior to and during COFINA’s Title III Case.

2. The Puerto Rico Funds hereby join the Senior Coalition in its Omnibus Reply to the objections to confirmation of the Plan.<sup>5</sup>

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<sup>2</sup> The Puerto Rico Funds are the following Puerto Rico-based funds: Puerto Rico AAA Portfolio Bond Fund II, Inc.; Puerto Rico AAA Portfolio Bond Fund, Inc.; Puerto Rico AAA Portfolio Target Maturity Fund, Inc.; Puerto Rico Fixed Income Fund, Inc.; Puerto Rico Fixed Income Fund II, Inc.; Puerto Rico Fixed Income Fund III, Inc.; Puerto Rico Fixed Income Fund IV, Inc.; Puerto Rico Fixed Income Fund V, Inc.; Puerto Rico Fixed Income Fund VI, Inc.; Puerto Rico GNMA & U.S. Government Target Maturity Fund, Inc.; Puerto Rico Investors Bond Fund I; Puerto Rico Investors Tax-Free Fund, Inc.; Puerto Rico Investors Tax-Free Fund, Inc. II; Puerto Rico Investors Tax-Free Fund III, Inc.; Puerto Rico Investors Tax-Free Fund IV, Inc.; Puerto Rico Investors Tax-Free Fund V, Inc.; Puerto Rico Investors Tax-Free Fund VI, Inc.; Puerto Rico Mortgage-Backed & U.S. Government Securities Fund, Inc.; Tax-Free Puerto Rico Fund, Inc.; Tax-Free Puerto Rico Fund II, Inc.; Tax-Free Puerto Rico Target Maturity Fund, Inc.; and UBS IRA Select Growth & Income Puerto Rico Fund.

<sup>3</sup> Capitalized terms not defined herein shall have the meanings ascribed to them in the Omnibus Objection.

<sup>4</sup> A copy of the PSA is attached as Exhibit B of the *Disclosure Statement for the Second Amended Title III Plan of Adjustment of the Debts of Puerto Rico Sales Tax Financing Corporation* [Docket No. 4364].

<sup>5</sup> The Puerto Rico Funds expressly take no position in this Joinder with respect to the Contracts Clause, Takings Clause or valuation of just compensation set forth in the Omnibus Reply.

3. For the reasons set forth in the Omnibus Reply, the Puerto Rico Funds request that the Court deny the objections and confirm the Plan.

4. The Puerto Rico Funds reserve all rights to raise issues and arguments not contained in the Omnibus Reply and to address the Plan and objections thereto at the hearing to consider confirmation of the Plan. Furthermore, the Puerto Rico Funds reserve the right to address any statements made by any party in connection with this Title III case or any adversary proceeding therein.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, January 9, 2019.

By:

/s/ Alicia I. Lavergne-Ramírez

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*Target Maturity Fund, Inc., Puerto Rico Investors Bond Fund I, Puerto Rico Investors Tax-Free Fund, Inc., Puerto Rico Investors Tax-Free Fund, Inc. II, Puerto Rico Investors Tax-Free Fund III, Inc., Puerto Rico Investors Tax-Free Fund IV, Inc., Puerto Rico Investors Tax-Free Fund V, Inc., Puerto Rico Investors Tax-Free Fund VI, Inc., Puerto Rico Mortgage-Backed & U.S. Government Securities Fund, Inc., Tax-Free Puerto Rico Fund, Inc., Tax-Free Puerto Rico Fund II, Inc., Tax-Free Puerto Rico Target Maturity Fund, Inc., and UBS IRA Select Growth and Income Puerto Rico Fund*

*Income Fund V, Inc., Puerto Rico Fixed Income Fund VI, Inc., Puerto Rico GNMA & U.S. Government Target Maturity Fund, Inc., Puerto Rico Investors Bond Fund I, Puerto Rico Investors Tax-Free Fund, Inc., Puerto Rico Investors Tax-Free Fund, Inc. II, Puerto Rico Investors Tax-Free Fund III, Inc., Puerto Rico Investors Tax-Free Fund IV, Inc., Puerto Rico Investors Tax-Free Fund V, Inc., Puerto Rico Investors Tax-Free Fund VI, Inc., Puerto Rico Mortgage-Backed & U.S. Government Securities Fund, Inc., Tax-Free Puerto Rico Fund, Inc., Tax-Free Puerto Rico Fund II, Inc., Tax-Free Puerto Rico Target Maturity Fund, Inc., and UBS IRA Select Growth and Income Puerto Rico Fund*